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SIPDIS

STATE FOR EAP/CM AND DRL USDA FOR FAS/ITP AND FAS/FAA USDOC FOR 4420/ITA/MAC/MCQUEEN USPACOM FOR FPA

SENSITIVE SIPDIS

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TAGS: PHUM PGOV SOCI EAGR EINV CH

SUBJECT: Land and Corruption Blamed for Gurao Riots

REFERENCE: A: Guangzhou 398; B) Guangzhou 353; C) Guangzhou 06 32440; D) 06 Guangzhou 32264; E) 06 Guangzhou 11684; F) 06 Guangzhou 2194; G) 05 Guangzhou 32000; H) 05 Guangzhou 31940; I) 04 Guangzhou 37430

- (U) This document is sensitive but unclassified. Please protect accordingly.
- 11. (SBU) Summary: Riots over land sales and disputes over ownership in Gurao Town, in east Guangdong in early May underline again the fragile state of the social compact in the rapidly changing, oft-times corrupt south China environment. Local angry farmers in more than a dozen villages reportedly attacked and looted the houses of local village officials, who they blamed for illegally selling village farmland and pocketing the proceeds. According to local press, police were instructed not to take strong action in handling the riots for the sake of maintaining "social harmony." End summary.
- 12. (SBU) Gurao Town is one of China's major underwear manufacturing bases, and has about 400 textile factories and 1,000 workshops. It is northwest of downtown Shantou. Congenoff visited the town in 2004 (ref I) and was impressed by its prosperity i.e., as an island of wealth standing alone amid an ocean of poor villages. Commenting on the riots, Hong Kong's Ming Pao said officials in local villages often undersell local farmland to enterprises and pocket all or part of the money.

Village Officials' Houses Looted and Damaged

13. (SBU) According to a May 8 Ming Pao article, residents of several villages in Gurao gathered at the homes of local officials homes during China's May holidays to seek an explanation for recent land sales. The situation soon escalated, with the farmers allegedly removing valuables from the homes and damaging property. The wife of a former village chief told Ming Pao that her house was plundered by about 100 villagers on May 2; another village official claimed to have been harassed by farmers who broke into his house at midnight. Many village officials fled their homes, according to the news reports. Official from Daken and Daheng villages also reported attacks, but no casualties.

Organization of Villagers

14. (SBU) Media reports imply that the riots were organized. Ming Pao said that there was a "Land Maintenance Group" in Gurao which encouraged villagers to take actions against corrupt local

officials. Members of the group handed out printed notices to people with the slogan "Do not wrong a single good person, but spare no bad one." A journalist reportedly witnessed several farmers on bicycles in Gurao's town center on May 8 calling for villagers to participate in reporting corruption. In some villages, people reportedly used gongs to guide villagers to official's homes to loot and damage.

Little Action by Local Police

15. (SBU) Media reports say the police have taken little action to stop the riots. Zhang Yingyong, a township official in Gurao, told reporters that he and his staff were surrounded by several hundred people in a local village and prevented them from leaving. Police arrived and dispersed the villagers but did not take further action, likely to prevent further exacerbating a volatile situation.

The local district and township governments also sent working groups to begin a dialogue with disaffected villagers. Many officials were verbally abused by villagers and both sides assaulted one another physically.

Comment

16. (SBU) Following the Dongzhou incident in 2005 (reftels B, G, H,), after which local officials and police were disciplined, local governments have been more cautious in handling social unrest, especially where it affects issues of land and eminent domain. The upcoming annual session of the Guangdong CPC, which will be held May 18, may be another reason the government has not escalated the

situation. The scale and duration of the riots over several days

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indicate the likelihood of serious land corruption in the area. Local villagers are becoming more socially aware and organized in defending their interests, though we do not know whether they had outside assistance such as occurred earlier with the rights protection movement here. Villagers may now believe that some level of violence and looting is the only way to convey their anger against local officials accused of corruption, but whether these actions ultimately rebound against them remains to be seen.

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